insurers, are normally designed to meet the insurance needs of general public. The distribution of these products, at times, shows an urban bias due to better availability of marketing channels in urban areas.

(b) and (c) The IRDA (Obligation of Insurers to Rural or Social Sectors) Regulations, 2002, prescribe a percentage and number of policies to be sold in rural areas and to social sector which includes unorganized sectors, informal sector, economically vulnerable or backward classes etc. All insurers are required to fulfill rural and social sector obligations on annual basis.

Tax on buying second car

166. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is a proposal to impose tax for buying more than one car;

(b) if so, the reasons therefor; and

(c) whether this is likely to have adverse impact on automobile industries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE: (SHRI S.S. PALANIMANICKAM): (a) No, Sir.

(b) and (c) Does not arise in view of (a) above.

Declaration of defaulters of banks

†167. SHRI SURENDRA LATH: Will the Minister of FINANCE be pleased to state:

(a) the total amount involved in the Non-Performing Assets till 31st March 2005 in the country;

(b) whether he would consider to declare the persons who have not repaid the loans taken from Public Sector Banks and other financial institutions or defaulted willfully, as economic offenders publish their list and set up special courts for the speedy disposal of such cases; and

†Original notice of the question was received in Hindi.

(c) if so, by when and if not, reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE: (SHRI S.S. PALANIMANICKAM): (a) The gross non-performing assets of all scheduled commercial banks as on 31st March 2005 is Rs. 58091 crore.

(b) and (c) At present, no such proposal is under consideration of the Government. However, Government of India and Reserve Bank of India have stipulated certain steps for recovery of loans, which, *inter-alia,* include evolving and implementing a recovery policy by banks, filing of suits in civil courts/DRTs, issue of notices under SARFAESI Act, 2002, compromise settlement and monitoring and follow up of NPAs at variious levels. The Credit Information Companies (Regulation) Act, 2005 has been enacted to provide for regulation of credit information companies and to facilitate efficient distribution of credit. Credit Information Bureau has also been set up to disseminate information on borrowers to the banks.

Rate of interest on loans for agriculture sector

†168. SHRI SURENDRA LATH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Public Sector and private banks are providing loans at less rate of interest to agricultural sector, if so, what is the interest rate;

(b) whether it is also a fact that Cooperative banks of the country are not providing loans at the same low rate of interest to agricultural sector at which other banks are providing; and

(c) if so, the reasons therefore and steps being taken by Government to provide loans at minimum and uniform rate of interest to the farmers by the banks of all sectors in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE: (SHRI S.S. PALANIMANICKAM): (a) Interest rates on loans given by the banks are deregulated and banks are free to determine the rate of interest taking into account the cost of funds and the risk cost involved. However, interest rate on loans by Commercial Banks upto Rs. 2.00 lakhs should

†Original notice of the question was received in Hindi.